



Fact Sheet

Generation Partners

The Generation Partners pilot project supports renewable energy by offering homeowners and businesses financial incentives for solar, wind, biomass and small hydroelectric systems of less than 200 kilowatts.

Background

Generation Partners, begun in 2003, was flooded with applications in 2010 after changes made it easier for applicants to finance their projects. Long-term options are being evaluated to support the continued growth of clean, renewable energy resources.

Key points

- TVA pays each new participant in Generation Partners \$1,000 to offset startup costs and agrees to buy 100 percent of the green power each system produces.
- TVA pays the retail electric rate, along with any fuel cost adjustment, plus a 12-cent premium per kilowatt-hour for solar and 3 cents per kilowatt-hour for wind, biomass and hydro.
- Although the influx of applications in 2010 briefly held up new enrollments, TVA announced in June that applications for wind, solar, biomass and hydroelectric projects of up to 200 kilowatts would continue to be welcomed.
- TVA also is fulfilling the commitment it made to honor proposals of up to 1 megawatt that were in the pipeline when it began scaling down the size of eligible projects because of overwhelming demand. TVA agreed to accept applications for larger systems until Aug. 31, and is accepting 31 new projects. The projects will have one year to complete installation.
- TVA is working with local power distributors, state officials and renewable energy developers to make Generation Partners an established program.

Other information

- As a pilot, Generation Partners is limited to a total of 200 megawatts of qualifying renewable generation, not to exceed \$50 million in power purchase expenditures.
- Under recent short-term changes, large projects will be treated as individual power purchase agreements that do not count against the \$50 million cap.
- The changes made in summer 2010 responded to a sharp increase in applications after TVA decided earlier in the year, at the request of interested participants, to approve participation in advance. This gave developers easier access to external financing for their projects.
- As of October 2010, almost 500 projects were approved for Generation Partners, totaling about 60 megawatts.